

**MONTANA
COMMUNITY DEVELOPMENT
BLOCK GRANT PROGRAM (CDBG)**

**2010 APPLICATION GUIDELINES FOR
CDBG PLANNING GRANTS
RELATED TO COMMUNITY PLANNING,
HOUSING, AND PUBLIC FACILITIES**

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December 2009

**STATE OF MONTANA
Governor Brian Schweitzer**

**MONTANA DEPARTMENT OF COMMERCE
Anthony J. Preite, Director**

**APPLICATION GUIDELINES FOR 2010 CDBG PLANNING GRANTS RELATED TO
COMMUNITY PLANNING, HOUSING AND PUBLIC FACILITIES**

A. INTRODUCTION

2010 CDBG Planning Grants: MDOC has set aside \$240,000 of CDBG funds from the CDBG Housing and Public Facilities grant categories for planning grants to be awarded through the FFY 2010 CDBG Program.

The basic framework of Montana's CDBG Program was established in 1982 by a 14-member Task Force composed of local government officials that was appointed by the Montana Department of Commerce (MDOC) to design the State's CDBG program. The Task Force recommended including a requirement that communities conduct a "needs assessment" process¹ before applying for CDBG funding. Task Force members hoped to encourage Montana communities to move away from a "crisis management" approach to community problem-solving and instead approach community development as a long-term process of planned, incremental actions to improve the community over time.

In 1984, Congress amended the federal Housing and Community Development Act of 1974 to require each unit of general local government receiving CDBG funds "to identify its community development and housing needs, including the needs of low and moderate income persons and the activities to be undertaken to meet such needs." Congress established this requirement to promote better planned strategies for addressing local needs. Apparently, Montana's CDBG Task Force and Congress independently developed similar requirements to encourage longer range planning for community development needs. That is still the basic purpose of CDBG Planning grants today.

According to local officials, the cost of preparing planning studies often presents a serious obstacle for communities with limited resources. The CDBG program is able to play a unique role in assisting Montana communities because of its ability to offer planning grants to local governments. CDBG Planning Grants can be used for a variety of planning activities. This includes activities such as the initial planning necessary to develop a Housing and Public Facilities CDBG project, or to prepare or update a local growth policy, housing plan, capital improvement plan, or similar planning efforts needed to help a community address critical needs, including the needs of low and moderate income (LMI) persons.

The 2010 CDBG Planning Grants grant guidelines and application form are available on the Department of Commerce website at http://comdev.mt.gov/CDD_CDBG_PGAG.asp or can be obtained by e-mailing CDBG Program Assistant Joanne Gilbert at jgilbert@mt.gov or by telephone at (406) 841-2770.

¹ The needs assessment process is further defined and explained in the "Community Needs Assessment Process" handbook; available through the Montana Department of Commerce, Community Development Division or on line at the following website: http://comdev.mt.gov/CDD_CDBG_CN.asp

ECONOMIC DEVELOPMENT-RELATED PLANNING ACTIVITIES

Local governments seeking CDBG assistance for economic development-related planning activities, such as preparation of a Comprehensive Economic Development Strategy (CEDS), should contact:

Nancy Guccione, Section Manager - CDBG Economic Development
Business Resources Division, Department of Commerce
301 S. Park - Helena, MT 59620
E-mail: nguccione@mt.gov Ph: (406) 841-2744

Website: http://businessresources.mt.gov/BRD_CDBG.asp

B. ELIGIBLE APPLICANTS

CDBG planning grants are available to eligible counties, cities, and towns. Local governments may apply on behalf of special purpose districts, such as water or sewer districts, or non-profit organizations (such as a human resource development council, an area agency on aging, a local domestic violence shelter, a boys and girls club, local food bank, hospital, nursing home, or a similar non-profit agency). Also counties may apply for planning grants on behalf of tribal utility authorities.

Local governments with an open CDBG Housing and Public Facilities planning grant are ineligible to apply for an additional planning grant, in the Housing and Public Facilities categories until their current planning project is completed and closed out. The CDBG website contains a listing of local governments which currently have “open” planning grants within the CDBG housing and public facilities categories. For questions involving eligibility, please contact the CDBG staff.

As consolidated local governments, Butte-Silver Bow and Anaconda-Deer Lodge can have two planning grants open at any given time.

C. ELIGIBLE ACTIVITIES

CDBG Planning Grant funds that will be awarded through the April, 2010 grant competition can be used for the preparation of plans, studies, training or research, including the areas listed below. Contact CDBG staff as soon as possible if you have any questions about whether your proposed planning project is an eligible activity under HUD regulations.

- Community growth policies - CDBG Planning Grants can be used to prepare a growth policy that conforms to the requirements for local government “growth policies” established by the 1999 Legislature (76-1-601, MCA)².

² To learn more about this requirement, Montana Department of Commerce, Community Development Division has produced the “Montana’s Growth Policy Resource Book” to further describe and interpret the requirements found in 76-7-601, MCA. Please contact the Community Development Division or visit the following website: <http://comdev.mt.gov/Includes/MTGrowthPolicyBook.pdf>

In order to demonstrate eligibility for the use of CDBG funds, growth policies assisted with CDBG funds must include an element which describes the particular housing and community development needs of low and moderate income persons. This element should include a description of:

1. any geographic areas within the planning jurisdiction where low and moderate income persons are concentrated and any housing or community development needs which particularly affect those areas;
2. the needs of particular groups of persons who generally fall within the low and moderate income category, such as the elderly, single heads of households, homeless persons, or abused or neglected children residing in shelters or group homes, for public services or facilities; and,
3. the activities to be undertaken to meet such needs.

Federal law requires that each CDBG recipient “identify its community development and housing needs, including the needs of low and moderate income persons, and the activities to be undertaken to meet such needs.” By including this element, addressing the needs of low and moderate income persons, CDBG applicants will be able to use their growth policy to document compliance with this CDBG application requirement.

- Activities undertaken to implement a growth policy, including preparation of a capital improvements plan, community decay ordinance, neighborhood revitalization plan, subdivision regulations, zoning regulations, or a development permit system.
- Housing plans, including housing needs studies, housing condition surveys, housing affordability studies, housing project market feasibility studies, or the development of housing assistance programs.
- Neighborhood redevelopment plans, urban renewal plans, analyses of impediments to fair housing choice, and environmental and historic preservation studies.
- Plans for re-use of vacant industrial areas (“brownfields”) for possible redevelopment.
- Conducting income surveys necessary to be eligible for CDBG assistance.
- CDBG planning grants can be used as match for architectural design assistance for downtown revitalization or neighborhood redevelopment plans from the Community Design Center at the School of Architecture, Montana State University.
- Preparation of Preliminary Engineering Reports (PERs) for drinking water, wastewater, solid waste facilities (or other public facilities) consistent with the requirements of the CDBG Public Facilities Application Guidelines. As a rule, CDBG requires that all applicants considering applying for planning grant monies to prepare PERs, must first apply to the Treasure State Endowment Program (TSEP), of the Department of Commerce, and the Renewable Resource Grant and Loan (RRGL) program, of the Department of Natural Resources and Conservation. An application for funds for a PER may be submitted to CDBG only if TSEP and RRGL funds are not available for PERs. TSEP offers \$15,000 for PERs with a dollar for dollar match requirement. RRGL offers \$15,000 for PERs with no match requirement. TSEP and RRGL award planning grant monies on a first-come, first-serve basis until funding is exhausted.

- Preparation of Preliminary Architectural Reports (PARs) for Housing or Public Facilities projects (other than drinking water, wastewater, storm water, or solid waste facilities) consistent with requirements set forth in *Appendix S* of the CDBG Public Facilities Application Guidelines and Housing Application Guidelines.
- Preparation of grant applications for CDBG Housing or Public Facilities projects.

Note: Purchase of real property or equipment is not an eligible expense under CDBG Planning Grant Guidelines.

D. MAXIMUM AMOUNT OF GRANTS, BUDGET AND REQUIRED MATCH

For 2010, CDBG planning grants are available in amounts **up to \$20,000**. Local governments must provide a match on a 50-50 or dollar for dollar basis that must be firmly committed by the time CDBG funds are released.

The CDBG funds requested and proposed matching funds must be described in the proposed budget (see *Exhibit 2* for the required budget format and instructions). The budget for the planning project must be accompanied by an explanatory narrative that explains and justifies:

- 1) the amount of CDBG funds requested;
- 2) local matching funds; and,
- 3) other sources and amounts of local, state, federal, or private funds to be involved. The thoroughness of the budget justification for each line item will be a consideration in the ranking of the application. See the discussion relating to description of financial need under Ranking Criterion 3.

Firm loan commitments -- such as funds borrowed from the Montana Board of Investments Intercap Program, or local cash reserves -- are acceptable forms of match. Grants or other cash contributions from other local, state, or federal agencies or programs or private organizations are also acceptable forms of match.

- **Grant applicants are no longer allowed to substitute “in-kind” services provided by local government (regular salaried) staff for cash match. In-kind match has proven very difficult to document; therefore, CDBG will allow only match from other grants, local cash, or loans.**

In documenting a firm public commitment of matching funds, the applicant must:

- a. Specify the amount and use of the funds or resources committed by the applicant as match.
- b. For funds or resources to be provided by an entity other than the applicant, provide a letter of commitment from the agency or organization involved. The commitment of funds or resources may be made contingent on CDBG funds being awarded for the proposed planning project.

E. WAIVER OF MATCH REQUIREMENT

The MDOC may reduce or entirely waive the match requirement in extreme hardship cases. Local governments seeking to reduce or waive the match requirement must clearly request a reduction of the match or a waiver in the application. The local government must also include information that:

1. clearly demonstrates that higher financial participation is not possible; and,
2. provides written evidence that the need for the planning project relates to an immediate need to protect public health or safety, or would respond to a serious need principally impacting low or moderate income persons or households.

F. RANKING CRITERIA FOR CDBG PLANNING GRANT APPLICATIONS

The CDBG Program will use the following five criteria to evaluate planning grant proposals and to rank the applications in the likely event that the total requests exceed available funding. Planning Grant applications may be assigned up to a maximum of 425 points. The ranking criteria and weightings are:

<u>Ranking Criteria</u>	<u>Maximum Points</u>
1. Relationship to Long-Term Community Planning	125 Points
2. Need for Planning Activity	100 Points
3. Community Efforts and Financial Need	50 Points
4. Benefit to Low and Moderate Income	100 Points
<hr/>	
SUB-TOTAL POINTS:	375 Points
5. First Time Recipient and/or Innovative Proposals	Bonus Points: <u>50 Points</u>
TOTAL POINTS:	425

The ranking considerations for each criterion that will be used to evaluate the application are described in the attached application form. It is important that applicants provide complete responses to all of the ranking considerations that are applicable to their planning project. The specific requirements for each of the five ranking criteria are given starting on page 9 of these guidelines.

G. PROCUREMENT

All State of Montana and MDOC requirements concerning procurement of professional services will apply.

For procurement of planners, grant writers and consultants, CDBG recommends using an RFP process to increase the community's chance of hiring the best qualified consultant. A planning RFP should be concise containing all the important information needed for firms to respond in a factual manner and indicate the services the consultant would be expected to provide. It also should include information regarding the time frame, factors that will be used to evaluate the responses, and a contact person.

There are two methods that are accepted by the CDBG program for advertising for a planning RFP. First a local government can advertise in area newspapers to briefly announce the request for proposals. An alternative is to send the RFP directly to firms that are located within the community's region or have previously indicated interest in submitting a proposal. To ensure that the process is competitive, CDBG requests that the RFP be sent to at least 3 firms or advertised in a regionally distributed newspaper.

To be eligible for reimbursement, professional architectural or engineering services must be procured in compliance with Section 18-8-201, MCA. In order to ensure that expenditures will be eligible for reimbursement, contact the CDBG program for guidance **BEFORE** procuring professional services or incurring any costs for which the local government may later request reimbursement.

H. APPLICATION PROCESS

These grant guidelines and application form are available on the Department of Commerce website at http://comdev.mt.gov/CDD_CDBG_PGAG.asp. You can also obtain them by e-mailing Joanne Gilbert at jgilbert@mt.gov or by contacting CDBG by telephone at (406) 841-2791.

FOUR (4) copies (1 marked "original" and 3 copies) of the written proposals for CDBG planning grants must be delivered or postmarked by 5:00 P.M., Friday, April 16, 2010.

IMPORTANT: In addition, applicants must submit a computer diskette or compact disk containing an electronic version of the completed application form. We require the format to be compatible with Microsoft WORD 2003 or WORD 2007. If you do not have access to a computer, please complete the form and attach additional sheets for your response, as necessary.

Copies of applications and all attachments must be submitted to:

**CDBG Program
Community Development Division
Montana Department of Commerce
301 S. Park Avenue / P.O. Box 200523
Helena, MT 59620-0523**

**Phone: (406) 841-2791
FAX: (406) 841-2771
TDD: (406) 841-2702
jgilbert@mt.gov**

Website: http://comdev.mt.gov/CDD_CDBG.asp

Alternative accessible formats of this document will be provided upon request.

If you need this document in an alternative format, such as large print, Braille, audio tape, or computer diskette, please contact the Montana Department of Commerce Community Development Division at (406) 841-2791, TDD (406) 841-2702, or the Relay Services number, 711.

2010 CDBG PLANNING GRANT COMPETITION APPLICATION FORM

MONTANA COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM

MONTANA DEPARTMENT OF COMMERCE – COMMUNITY DEVELOPMENT DIVISION

ACCEPTANCE OF CDBG PROGRAM REQUIREMENTS

The Applicant hereby certifies that:

It will comply with all applicable parts of Title 1 of the Federal Housing and Community Development Act of 1974, as amended, which have not been cited herein as well as with other applicable federal laws and regulations.

It will comply with all requirements established by the Montana Department of Commerce and applicable State laws, regulations and administrative procedures.

It accepts the terms, conditions, selection criteria, and procedures established by the Montana Community Development Block Grant (CDBG) Program and expressly waives any statutory or common law right it may have to challenge the legitimacy and propriety of these terms, conditions, criteria, and procedures in the event that it is not selected for an award of CDBG funds.

APPLICANT- CERTIFICATION

To the best of my knowledge and belief, the information provided in this application and in the attached documents is true and correct.

Signature _____
Chief Elected Official or Authorized Representative

(Please type or print Name and Title.)

Name _____ **Title** _____

Date _____

APPLICANT'S INFORMATION:	
Name of Local Government:	
Phone #:	
Fax #:	
Mailing Address of Applicant:	
Federal Tax ID #:	
Taxable Valuation:	
Value of One Mill:	
Montana Senate District :	
Montana House District(s):	

A. **ELIGIBLE APPLICANT?** (See Application Guidelines, page 3.) ☐ Yes ☐ No

(1) **APPLICATION SUBMITTED ON BEHALF OF A NON-PROFIT AGENCY, WATER AND SEWER DISTRICT OR SIMILAR ORGANIZATION?**

(If Yes, describe the agency/organization.) ☐ Yes ☐ No

(2) **REQUIRED LETTER(S) OF COMMITMENT INCLUDED?** *(For funds or resources to be provided by a non-profit agency, water and sewer district or similar organization. See Application Guidelines, pages 6 and 7.)* ☐ Yes ☐ No ☐ NA

B. **ELIGIBLE PLANNING ACTIVITY?** (See Guidelines, pages 3-6.) ☐ Yes ☐ No

C. **ARE REQUIRED MATCHING FUNDS PROVIDED?** (See Guidelines, pages 6-7.) *(Describe the matching funds that will be provided. If no matching funds can be provided or not all can be provided, the applicant must submit a request for a waiver of the match, providing documentation why the required match cannot be provided.)*

D. **HAS THE APPLICANT BEEN A CDBG HOUSING AND PUBLIC FACILITIES GRANT RECIPIENT WITHIN THE PREVIOUS TEN YEARS?**

☐ Yes ☐ No

(Note: The CDBG program funding history is posted on the web at: http://comdev.mt.gov/CDD_CDBG_FH.asp. You can also contact CDBG for this information.)

E. **IS A PROJECT IMPLEMENTATION SCHEDULE PROVIDED?** (See Exhibit 1 below. Provide a project implementation schedule using Exhibit 1. Include a brief narrative to explain your proposed project schedule.)

F. **IS THE PROPOSED PROJECT BUDGET and BUDGET JUSTIFICATION NARRATIVE PROVIDED?** (Use Exhibit 2 to list your project budget and to provide a narrative that explains and justifies each line items of your proposed budget.)

II. RANKING CRITERIA FOR CDBG PLANNING GRANT APPLICATIONS

The CDBG Program will use the following five criteria to evaluate planning grant proposals and to rank the applications in the likely event that the total requests exceed available funding. Planning grant applications may be assigned up to a maximum of 425 points. The ranking criteria and weightings are:

<u>Ranking Criteria</u>	<u>Maximum Points</u>
1. Relationship to Long-Term Community Planning	125 Points
2. Need for Planning Activity	100 Points
3. Community Efforts and Financial Need	50 Points
4. Benefit to Low and Moderate Income	100 Points
<hr/>	
SUB-TOTAL POINTS:	375 Points
5. First Time Recipient and/or Innovative Proposals	Bonus Points: 50 Points
TOTAL POINTS:	425

III. 2010 CDBG PLANNING GRANT RANKING CRITERIA QUESTIONS THAT NEED TO BE ADDRESSED IN ALL APPLICATIONS

Ranking Criterion 1. RELATIONSHIP TO LONG-TERM COMMUNITY PLANNING - 125 points

Each CDBG Planning Grant applicant is required to:

- **Submit a written narrative response to the five ranking criteria, as appropriate for the type of project, and**
- **Address each of the separate ranking considerations, as applicable to the proposed planning project.**

The applicant's responses to these ranking criteria and each of the ranking considerations will be examined by MDOC CDBG staff as the basis for scoring applications against each ranking criterion.

Applicants should attach pertinent supporting documentation, as applicable. Each application's ranking score will be based solely on the written application.

If a given ranking issue is not applicable to the proposed CDBG planning grant, the applicant may simply state, "Not applicable." In order to avoid unnecessary duplication, the applicant can reference other pertinent portions of the application or supplemental materials in their narrative

The "*Relationship to Long-Term Community Planning*" ranking criterion considers the relationship of the proposed planning project to the community's long-term planning program. Applicants need to address each of the three (3) ranking considerations listed below, as applicable, by providing a narrative and relevant documentation and evidence for each of the five considerations.

It is a goal of the Montana CDBG Program to assist local governments with the management of community development, growth, and change consistent with the national and state objectives of the CDBG program. A related objective is to assist communities in identifying their overall community development needs, including the needs of low and moderate income persons, and to assist local governments in preparing plans and activities to meet the identified needs.

Reflecting the Department of Commerce's mission to encourage local community planning, the maximum score for the Relationship to Long-Term Community Planning criterion is 125 points. The highest priority is placed on assisting communities to establish a long-term planning program, with lower priority placed on addressing short-term project-specific planning activities or grant preparation.

Ranking considerations for Criterion 1 include:

1. Highest priority will be placed on assisting communities in:
 - a. preparing Growth Policies or updating existing comprehensive plans or master plans to meet the state statutory requirements for Growth Policies (76-1-601 of the Montana Code Annotated) or in
 - b. taking concrete steps to implement an existing Growth Policy such as preparation of a capital improvements plan, community decay ordinance, urban renewal plan, neighborhood revitalization plan, subdivision regulations, zoning regulations, or a development permit system that are explicitly identified in an existing Growth Policy as implementation steps.

In order to demonstrate eligibility for the use of CDBG funds, growth policies assisted with CDBG funds must include an element which describes the housing and

community development needs of low and moderate income persons. This element should include a description of:

- 1) any geographic areas within the planning jurisdiction where low and moderate income persons are concentrated and any housing or community development needs which particularly affect those areas;
- 2) the needs of particular groups of persons who generally fall within the low and moderate income category, such as the elderly, single heads of households, homeless persons, or abused or neglected children residing in shelters or group homes, for public services or facilities; and
- 3) the activities to be undertaken to meet such needs.

Lower priority will be placed on assisting communities seeking to carry out a needs assessment process as a “stand alone” activity, as opposed to identifying community development needs through the preparation (or update) of a Growth Policy.

2. Whether the applicant has demonstrated a sound rationale for the proposed planning activity by clearly defining the scope of the issues or problems that need to be addressed and by justifying why the project is needed.
3. The degree to which the proposed planning activity represents a well-coordinated effort to address long-term, overall community growth and development versus the short-term benefit of grant writing for a specific project.

For additional information regarding a community needs assessment:

See the CDBG booklet *The Community Needs Assessment Process*, available from CDBG or on-line at http://comdev.mt.gov/CDD_CDBG_CN.asp . This document includes information regarding long-term planning and how to complete a community needs assessment.

APPLICANT’S RESPONSE to each of the ranking considerations (as applicable to the proposed planning project) for Ranking Criterion 1:

(Use as much space as needed.)

Ranking Criterion 2. NEED FOR THE PLANNING ACTIVITY - 100 points

The “*Need for the Planning Activity*” ranking criterion will consider the overall need for the planning activity to be addressed with CDBG grant funds in comparison with the other planning applications submitted for funding. **Applicants need to address each of the three ranking considerations listed below, as applicable, by providing a narrative and relevant documentation and evidence for each applicable consideration.**

The need may relate to the necessity to prepare local growth policies to deal with long-term community development and rapid growth pressures (including affordable housing issues) or may be related to a specific facility or public service which is currently experiencing some level of deficiency. The need may relate to the need for a project under consideration, which would require a preliminary architectural or engineering report in order to apply for funding through state or federal programs.

Ranking considerations for Criterion 2 include:

1. The extent to which there is clear documentation that the current condition of the public facility (or lack of a facility) violates a state or federal health or safety standard (as opposed to a design standard), including the extent to which the entire community, or a substantial percentage of the residents of the community, are seriously affected by a deficiency or need, as opposed to a small percentage of the residents.
2. The problem to be addressed with the planning grant would focus on a serious need principally impacting low or moderate income persons or particularly disadvantaged persons (minorities, single parents with children, elderly or children, or the physically or mentally disabled).
3. The extent to which the community is experiencing rapid population change (either growth or decline); extensive deterioration or blight; or the shortage of decent and affordable housing.

APPLICANT’S RESPONSE to each of the ranking considerations (as applicable to the proposed planning project) for Ranking Criterion 2:

(Use as much space as needed.)

Ranking Criterion 3. COMMUNITY EFFORTS AND FINANCIAL NEED - 50 points

The “*Community Efforts and Financial Need*” ranking criterion will assess the thoroughness of the applicant’s past efforts to address community development needs with local resources and the extent of current efforts to secure assistance from all other appropriate local, state, and federal public and private sources potentially available to assist in financing the proposed planning activity.

This ranking criterion will also consider the degree to which the applicant has clearly documented that its request for a CDBG Planning Grant is necessary and reasonable, relative to its financial capability and the amount of funds requested, in comparison with other planning grant applicants.

Applicants need to address each of the four ranking considerations listed below, as applicable, by providing a narrative and relevant documentation and evidence for each of the four considerations.

Ranking considerations for Criterion 3 include:

1. Whether the applicant has made (and presented evidence) of serious efforts to thoroughly seek out, analyze and secure the firm commitment of additional funds from all other appropriate public or private sources to help finance the proposed planning project, including local financial contributions to support the proposed planning activities (for example, commitments of volunteers to undertake such activities as surveys, or other forms of "grass roots" local support).
2. The extent to which the application provides complete and specific information documenting the existence of a financial need for the CDBG planning grant funds.

Documentation can be provided according to individual community circumstances, but **must include specific information such as an overall description of the local government’s revenues and budget, including specific details describing why the local government (and affected non-profit agency, or organization, if applicable) cannot fund the planning activities itself, without CDBG assistance. General statements about financial need,**

indicating that a community simply does not have sufficient revenues, will receive a lower ranking score. For instance, local governments can include information regarding trends in assessed property valuation; the value of a mill for tax purposes; low median household incomes; or, recent community job losses as part of the overall documentation of financial need.

Given the high demand for planning and the limited available funding, it is important that each applicant request only the difference between the total cost of a project and the amount of funds that the applicant can reasonably provide. Unless an applicant is determined to be eligible for a waiver of the match requirement (which must be specifically requested and justified), each applicant is expected to share in the funding of project costs and to request the least amount of CDBG funds necessary to complete the planning project.

3. Whether the applicant has demonstrated, or will assure **free and open competition** (when the planning project will require procurement of consultant services) in the procurement of professional services or has a plan to ensure such competition.
4. The thoroughness of documentation and narrative included in the application to explain and justify the proposed project budget and its details.

In awarding points for the “Community Efforts and Financial Need” criterion, the MDOC will evaluate the proposed budget and budget explanation to determine if the proposed costs for the planning project are adequately justified and appear reasonable and appropriate.

NOTE: Applicants no longer will be allowed to substitute direct “in-kind services” and commitments of citizen volunteer board members toward the match requirement.

APPLICANT’S RESPONSE to each of the ranking considerations for Ranking Criterion 3.

(Use as much space as needed.)

Ranking Criterion 4. BENEFIT TO LOW AND MODERATE INCOME - 100 points

The “*Benefit to Low and Moderate Income*” criterion will take into consideration the degree to which the planning activity has the potential to benefit low and moderate income (LMI) persons in the long term.

Each applicant must discuss in its response to Criterion 4 how the proposed planning project would potentially benefit LMI residents of the community.

Communities proposing to use CDBG planning funds to prepare a Growth Policy would be credited with the approximate LMI percentage for the geographic area that the Growth Policy would address. LMI benefit can also be projected where a community would use a CDBG planning grant to design or improve a facility that will primarily serve LMI persons, such as a Head Start Center, a senior citizens center, or a project to provide housing for LMI households. The approximate LMI percentage of the facility’s clientele would be used to project the LMI benefit from the planning project.

For additional information regarding LMI benefit:

See the CDBG booklet *Documenting Benefit to Low and Moderate Income (LMI) Persons*, available from CDBG. This document includes overall community LMI percentages based upon the 2000 Census. Results of community-wide income surveys conducted since 2000 can also be submitted so long as the methodology and results of the survey meet MDOC requirements.

LMI information is available for all Montana counties, cities and towns, and census designated places (CDPs) that were part of the 2000 census at: <http://svc.mt.gov/commerce/tsep/target.aspx>
You can also contact the CDBG program for help with finding LMI information.

APPLICANT’S RESPONSE to Ranking Criterion 4:

Describe and document how the proposed planning project would potentially benefit LMI residents of the community.

(Use as much space as needed.)

Extra Bonus Points –

Ranking Criterion 5. FIRST-TIME RECIPIENT AND/OR INNOVATIVE PROPOSALS - 50 points

The MDOC will give ranking priority to those local governments or unincorporated communities that have never applied for and/or received CDBG funding for either public facilities construction grants or housing project grants through the MDOC Community Development Division in the past ten years.

In addition, ranking priority will be assigned to the extent to which the proposed planning project represents an innovative planning activity that can serve as a unique model for other Montana communities.

A list of all CDBG-funded projects from 1982 to the present is located on the Department of Commerce website: http://comdev.mt.gov/CDD_CDBG_FH.asp

APPLICANT'S RESPONSE to Ranking Criterion 5:

(Use as much space as needed, or attach additional sheets.)

EXHIBIT 1

MONTANA CDBG PLANNING GRANT: CDBG HOUSING, PUBLIC FACILITIES & COMMUNITY PLANNING PROGRAM

PROJECT IMPLEMENTATION SCHEDULE – BEGINNING 2010

<u>TASK</u>	<u>MONTH</u>
<u>PROJECT START UP</u> Preparation of MDOC Contract	July 2010
<u>PROCUREMENT OF PROFESSIONAL ASSISTANCE</u> <i>Including professional engineers, architects, and community development consultants, etc.</i> Submit Request for Proposals (RFP) to DOC for approval, if required (<i>Architectural and engineering services must be procured in compliance with Section 18-8-201, MCA</i>) Publish RFP Select professional Execute agreement with professional	
<u>PROJECT IMPLEMENTATION</u> Prepare draft plan/report Submit interim drawdown of funds Public review and comment Finalize plan/report	
<u>PROJECT CLOSEOUT</u> Submit final deliverable Submit final drawdown	

EXHIBIT 2

MONTANA 2010 CDBG PLANNING GRANT:

CDBG COMMUNITY PLANNING, HOUSING, AND PUBLIC FACILITIES PROGRAM

PROPOSED PROJECT BUDGET AND BUDGET JUSTIFICATION NARRATIVE

BUDGET for CDBG Housing and Public Facilities Planning Grant				Date:
	SOURCE: CDBG	SOURCE: Match (Identify)	SOURCE:	TOTAL
Activities				
Professional Services				
Other (Describe)				
TOTAL PLANNING PROJECT	\$	\$	\$	\$

**** Note – Because the amount of funding is limited, applicants will be expected to absorb the costs associated with the administration of the CDBG Planning Grant.**

The budget justification narrative must thoroughly explain the rationale or basis for all proposed budget costs for each line item. The thoroughness of the budget justification will be a consideration in the ranking of the application. See the discussion relating to description of financial need under Ranking Criterion 3. **The budget for the planning project must be accompanied by an explanatory narrative that explains:**

- 1) the justification for each budget line item for the CDBG funds requested;
- 2) local matching funds; and,
- 3) other sources and amounts of local, state, federal, or private funds to be involved.

Reminder: Planning grants cannot be used for reimbursement of activities undertaken or completed prior to the date of announcement of grant award by the Department of Commerce.

APPLICANT'S RESPONSE:

(Use as much space as needed, or attach additional sheets, to provide the required **BUDGET JUSTIFICATION NARRATIVE.**)